GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:474
ANSWERED ON:20.11.2007
COTTAGE INDUSTRY
Yadav Shri M. Anjan Kumar

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government has received any proposal from Andhra Pradesh Government regarding development of cottage industry;

(b) if so, the details thereof;

(c) the action taken by the Government on these proposals; and

(d) the total amount released for the development of cottage industry during each of the last three years?

Answer

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

(a)to(d): No, Sir. However, Government in the Ministry of Micro, Small and Medium Enterprises has been implementing the Rural Employment Generation Programme (REGP) through the Khadi and Village Industries Commission (KVIC), for promotion and development of village industries, including cottage industries. Under this Programme, entrepreneurs can establish village/cottage industries, by availing of margin money assistance from the KVIC and loans from any public sector scheduled commercial banks, selected regional rural banks and co-operative banks, etc., for projects with a maximum cost of Rs.25 lakh. In addition for promotion of village/cottage industries, the Government provides assistance for improvement of designs, quality and better packaging of products under Product Development, Design Intervention and Packaging (PRODIP) Scheme, Rural Industries Service Centre (RISC) Scheme for setting up Common Facility Centres (CFCs) to provide infrastructural support and services to the units, to participate in exhibitions at the international, national, and sub-national levels. A new scheme called Scheme of Fund for Regeneration of Traditional Industries (SFURTI) has also been launched which envisages assistance for setting up of common facility centres, quality improvement, training and capacity building, development of new products, improved packaging, new design, market promotion, etc.

The total amount released by the KVIC to the State of Andhra Pradesh for development of village industries (including cottage industry) during last three years is as under:

Year	Fund released (Rs. lakh)
2004-05	3019.60
2005-06	4174.51
2006-07	3951.20